

reforms that will finally protect hard-working families from hidden rates and penalties every time they use a credit card, make a mortgage payment, or take out a student loan.

And for all their talk about reining in spending and getting our deficits under control, they want to borrow another \$700 billion and use it to give tax cuts to millionaires and billionaires. On average, that's a tax cut of about \$100,000 for millionaires.

Instead of cutting taxes for the wealthiest few—tax breaks we cannot afford—I've called for tax cuts for middle class families who saw their incomes shrink by 5 percent during the last, lost decade. We've already cut eight different taxes for small-business owners to help them hire and grow, and we're going to cut eight more. We're challenging our States and schools to do a better job educating our kids and making college more affordable so America can once more lead the world in the proportion of our children graduating from college. And we're putting an end to the days of taxpayer-

funded bailouts so Main Street never again has to pay for Wall Street's mistakes.

America is a great country. Our democracy is vibrant, our economy is dynamic, and our workers can outcompete the best of them. But the way for us to remain the greatest country on Earth isn't to turn back the clock and put the special interests back in charge. It's to make sure all our people are getting a fair shake. It's to make sure everyone who's willing to work for it still has a chance to reach for the American Dream. And that will remain my mission every single day so long as I have the honor of serving as President.

Have a nice weekend, everybody.

NOTE: The address was recorded at approximately 2:20 p.m. on September 22 in the Map Room at the White House for broadcast on September 25. The transcript was made available by the Office of the Press Secretary on September 24, but was embargoed for release until 6 a.m. on September 25. The Office of the Press Secretary also released a Spanish language transcript of this address.

Remarks and a Question-and-Answer Session With College and University Student Journalists September 27, 2010

The President. Hey, everybody. Thanks for joining me today. Before I get to the questions, I want to just take a minute to underscore something that is probably going to make as big of a difference in our success as a nation as anything we do, and that's what we're trying to achieve to strengthen our Nation's higher education system. Our classrooms, our professors, our administrators, our students, you guys are going to drive future success of the United States.

I've been talking about this a lot lately. We have fallen behind. In a single generation, we've fallen from 1st to 12th in college graduation rates for young adults. And if we're serious about building a stronger economy and making sure we succeed in the 21st century, then the single most important step we can take is to make sure that every young person gets the best

education possible, because countries that out-educate us today are going to outcompete us tomorrow.

So what I've done, starting with this past year's State of the Union Address, is proposed that by 2020, we once again are number one and have the highest proportion of college graduates in the world. And we're trying to put in place some policies to help us meet this goal.

First of all, we're making college more affordable. For example, we've changed the way Federal student loans are administered. Instead of handing over \$60 billion in unwarranted subsidies to big banks that were essentially getting this money even though the loans were guaranteed by the Federal Government, we're redirecting that money so that it goes directly to students. And that's allowing us to support com-

munity colleges and make college more affordable for nearly 8 million students and families.

We're tripling the investment in college tax credits for middle class families. We're raising the value of Pell grants, and we're going to make sure that they keep up with inflation. What we've also done is made sure that future borrowers are able to choose a plan so that you never have to pay more than 10 percent of your salary each month to service student loans that you've taken. And if you go into public service and you keep up with your payments, whatever leftover student debt that you have will be forgiven after 10 years. And finally, as part of this effort, we're simplifying financial aid forms.

Another important way we're making college more affordable, under the Affordable Care Act, my health care bill, is that young adults can now stay on their parents' health plans until they're 26 years old. And that obviously provides relief to a lot of young people who are looking maybe at their first job not providing health insurance.

Our second priority is making sure that higher education creates a workforce that's ready for the new jobs of the future. Community colleges are going to play a critical role in getting there, and I've asked Dr. Jill Biden to hold the first-ever White House Summit on Community Colleges. That way stakeholders are going to be able to discuss how community colleges can make sure we've got the most educated workforce in the world in relevant subjects that help people get jobs. That summit is going to be here next week.

A third part of our higher education strategy is where all of you have an important role, and that's making sure that more students complete college. We've done okay in terms of college enrollment rates, but more than a third of America's college students and more than half of our minority students don't earn a degree, even after 6 years. And that's a waste of potential, particularly if folks are racking up big debt and then they don't even get the degree at the end. They still have to pay back that debt, but they're not in a stronger position to be able to service it.

So obviously, it's up to students to finish, but we can help remove some barriers, especially

those who are earning degrees while working or raising families. So that's why I've long proposed what I call a College Access and Completion Fund, which would develop, implement, and evaluate new approaches to improving college success and completion, especially for kids from disadvantaged backgrounds. We're also making sure our younger veterans are supported through a post-9/11 GI bill.

The key here is, is that we want to open the doors of our colleges and universities to more people so they can learn, they can graduate, and they can succeed in life.

And while we had a setback last week, one last element that I want to mention is the need to get the "DREAM Act" passed. Some of you are probably aware this is important legislation that will stop punishing young people who—their parents brought them here. They may not have been documented, but they've for all intents and purposes grown up as American young people. This gives them the chance to obtain legal status either by pursuing a higher education or by serving in the U.S. Armed Forces for the country they've grown up in and love as their own, the same way that all of us do.

So these are all some of the steps that we're taking to help students fulfill their dreams, but also a key part of my economic platform in terms of making the country stronger.

With that, I'm ready to take questions on higher education issues or any other issue that you guys are interested in.

Employment Prospects for College Graduates/National Economy

Q. Hi, Mr. President. How are you today?

The President. I'm good, Colin. Where are you calling from?

Q. I'm calling from southwest Virginia, Radford University.

The President. Well, tell everybody I said hi there.

Q. I'll do that. Okay, so I've heard some of my professors call our generation the lost generation, because we're going to get out of school with a ton of debt due to student loans and not be able to pay them off really because, well, we don't—not going to get a steady job—it's not

that likely to begin with—and the economy is in the shape it is currently in. So I guess my question is, do you think there's some truth to that? And do you think it will take a longer time than usual for our generation to get on our feet?

And I guess—I mean, you talked about in your health care plan and how we're able to stay on our parents' plans now until we're 26, and that's going to help us deal with, kind of, money issues and insurance. But what else are you—is your administration doing to, kind of, I guess, help us stand up when we get out of college?

The President. A couple points I'd make. First of all, I think your generation is going to be just fine. I mean, we've gone through the worst financial crisis since the Great Depression, and so things are real tough for young people right now. But having said that, if you are getting a college degree, if you've got skills in math and science or good, sound communication skills, there are still jobs out there, even in a tough environment. And 9 out of 10 people who are looking for work can still find work.

The key is for us to keep on improving the economy, and that's going to be my number-one priority over the next several years. If the economy is growing, if we're investing in small businesses so they can open their doors and hire more workers, if we're helping large businesses in terms of plants and equipment—a lot of the initiatives that I've put in place already—if we're building infrastructure, not just roads and bridges, but also broadband lines, if we're investing in clean energy, all those things are going to open up new opportunities for young people with skills and talent for the future.

So don't let anybody tell you that somehow your dreams are going to be constrained going forward. You're going through a slightly tougher period. But if you think about it, what we called the greatest generation, my grandparents' generation, they had a situation where unemployment reached 30 percent, and they ended up essentially building the entire American middle class to what it was and making this the most powerful economy in the world. So right now we're going through a tough time, but I have no doubt that you guys are going to be successful.

Now, in the meantime, some specific things that we can do to help, I already mentioned two of them. One was you being able to stay on your parents' health care until you're 26. That gives you a little bit of a cushion in the initial jobs that you're getting coming out of college. The second thing that I've already mentioned is that starting in 2014, we're going to be in a situation where young people can cap their debt at 10 percent of their salary, regardless of what that salary is.

And if you go into something like teaching, for example, or you're a police officer or firefighter, public service jobs of one sort or another, then that's forgiven after 10 years. That's obviously going to be a big boost that would have helped me out a lot, because I ended up having 10 years worth of loans I had to pay down after I got out of law school.

In the meantime, what we're also doing—and this is already in place, this doesn't wait till 2014—we have increased the Pell grant. We've made it available to more people. We've made it more reliable. And so hopefully, students who are studying now are going to be able to keep their student loan—their debt lower than I did when I went to school or Michelle did when we went to school. That's obviously going to help. That's a second thing.

A third thing we're trying to do is to make sure that we're giving young people a better sense of what jobs are out there in the future so that people end up gravitating towards the skills and the degrees that they need to get employed. That's especially important for young people who are going through a community college system, because a lot of times folks are going through programs that—where they're racking up debt, they're getting college credits, but these aren't ultimately giving them the kinds of skills that they need to get a job.

And so all those things can be helpful in moving us forward. But the single most important thing I've got to do is make sure that we get this economy back on track, and that's why I'm so focused on things like a bill I'm going to be signing today that provides small businesses further incentive to invest and gives them tax

breaks and financing, because they're huge drivers of job creation over the long term.

All right? Who do we have next?

President's Visit to Wisconsin/Political Participation

Q. Hi, Mr. President. Thank you for taking the time to do this today.

The President. Well, it's great to talk to you. Where—which college are you calling from?

Q. I'm calling from the University of Wisconsin, where you will be tomorrow.

The President. I am looking forward to getting to Madison. [*Laughter*]

Q. Well, we're very excited to have you here. So I guess my question is, why are you so interested in Wisconsin? I mean, you've been here quite a few times, especially over the summer. I mean, why come to—why host a rally here tomorrow?

The President. Well, first of all, I'm a Midwest guy, and so whenever I get a chance to get back to the Midwest, I'm always happy about it.

Second, I love Madison because when I was just out of college and I moved to Chicago to work as a community organizer, I still had a couple of friends who were up going to school in Madison. So I used to drive up there and have fun times, which I can't discuss in detail with you. [*Laughter*]

And the third thing is, the reason we're going to Madison is because I want to send a message to young people across the country about how important this election is.

Look, back in 2008, a lot of young people got involved in my campaign because they felt like the path that we were on—where we were in a war in Iraq, a war in Afghanistan, no clear plan for us to get out of either one; we had run up huge deficits that people were going to have to pay off long term; the economy wasn't doing well; health care system was a mess—I think people just generally felt that we needed to bring about some fundamental changes in how we operate. And this was all before the financial crisis. And I think a lot of people felt that our campaign gave them a vehicle to get engaged and involved in shaping the direction of this country over the long term.

Now, I've been in office for 2 years. We've been in the midst of this big financial crisis. I've been having all these fights with the Republicans to make progress on a whole bunch of these issues. And during that time, naturally, some of the excitement and enthusiasm started to drain away because people felt like, gosh, all we're reading about are constant arguments in Washington, and things haven't changed as much as we would like, as quickly as we'd like, even though the health care bill got passed and financial regulatory bill got passed, and there have been—we've brought an end to our combat mission in Iraq, but still it seems as if a lot of the old politics is still operating in Washington.

And what I want to do is just to go speak to young people directly and remind them of what I said during the campaign, which was, change is always hard in this country. It doesn't happen overnight. You take two steps forward, you take one step back. This is a big, complicated democracy. It's contentious. It's not always fun and games. A lot of times, to bring about big changes like, for example, in our energy policy, you're taking on a lot of special interests—the oil companies and utilities—and some of them may not want to see the kinds of changes that would lead to a strong, green economy.

And the point is, though, you can't sit it out. You can't suddenly just check in once every 10 years or so, on an exciting Presidential election, and then not pay attention during big midterm elections where we've got a real big choice between Democrats and Republicans.

I mean, you've got a situation right now where the Republicans put out their "Pledge to America" that says we're going to give \$4 trillion worth of tax breaks, \$700 billion of those going to millionaires and billionaires, each of whom would get on average a \$100,000 check. And to even pay for part of that, we're going to cut all the improvements that we just talked about making on student loans, so that 8 million young people would see less support on student loans. We'd cut back our education assistance through the higher education by 20 percent. Well, that's a big choice. That has big consequences.

And so even though this may not be as exciting as a Presidential election, it's going to make

a huge difference in terms of whether we're going to be able to move our agenda forward over the next couple of years.

And I just want to remind young people, they've got to get reengaged in this process. And they're going to have to vote in these midterm elections. You've got to take the time to find out, where does your congressional candidate stand on various issues, where does your Senate candidate stand on various issues, and make an educated decision and participate in this process, because democracy is never a one-and-done proposition. It's something that requires sustained engagement and sustained involvement. And I just want to remind everybody of that.

Health Care Reform

Q. Hi, Mr. President. How are you?

The President. I'm good, Katrina. Where are you calling from?

Q. Penn State University, where Joe Biden will be tomorrow.

The President. Well, tell the Nittany Lions, congratulations. You guys won this weekend.

Q. Oh, yes, barely. [*Laughter*]

The President. Barely. It was a little scary there for a second.

Q. You're telling me. Anyway, so my question is actually about health care. So will our parents' employers be required to cover us after we graduate at their group rate that they're currently at? Or will the cost go up as a result of us being kept on our parent's plan? And are there any regulations on this as far as, like, how it's going to work?

The President. Your costs should not—your parents' costs should not go up substantially. Under this rule, you should be able to stay on your parent's plan until you're 26. The only caveat to the thing is that it assumes that your employer doesn't offer you health care. So if you find a job on graduation and your new employer offers you a health care plan, you can't say to yourself, you know what, I'd rather stay on my parent's plan and that will save me some money. You've got to take up the offer that your employer gives you for health care. But if your employer does not offer you health care or if you're

having trouble finding a job, during that period when you're looking for a job, you will be covered under your parent's plan up to the age of 26.

Affordability of College Tuition/Midterm Elections

Q. Hi, Mr. President. I hope things are going well for you.

The President. They're going great. And now, congratulations to you guys. Beating Texas, that was big.

Q. Thank you very much. I don't think many of us expected it.

The President. No, I can't imagine you did. [*Laughter*]

Q. Well, my question is that I think there's a lot of concern, especially in public universities, that education is becoming increasingly less affordable. I know, like, at UCLA last year, they raised tuition by 32 percent to help make up for slashed funding from the State, which accounts for, like, \$200 million at just our university this year. And student aid has increased some in this time, especially for lower income groups, but I think, especially in the middle class, a lot of families are just not being able to compensate. So my question is, how would you address this concern that public higher education is becoming more of a strain on families?

The President. Right. Well, I talked about what we're doing to increase financial aid to students, and obviously, that's important. But there's another part of the equation, and that is just the cost of college generally, both at the public and private institutions. If I keep on increasing Pell grants and increasing student loan programs and making it more affordable, but health care—or higher education inflation keeps on going up at the pace that it's going up right now, then we're going to be right back where we started, putting more money in, but it's all being absorbed by these higher costs.

You've identified one of the reasons that at public institutions costs have gone up. It has to do with the fact that State budgets are being so hard pressed that they're having to make severe cutbacks in the support they provide to public education.

So one of the things that I can do to help is to make sure that the economy is growing. States then are taking in more tax revenue, and if States are taking in more tax revenue, then they don't have to try to pass on increased costs to students, because they can maintain levels of support to institutions of higher learning.

So improving the economy overall is going to be critical. That will take some pressure off the States. We also, though, need to work with the States and public universities and colleges to try to figure out what is driving all this huge inflation in the cost of higher education, because this is actually the only place where inflation is higher than health care inflation. And some of it are things that are out of the control of the administrators at universities, health care costs being an example. Obviously, personnel costs are a big chunk of university expenses, and if their health care costs are going up 6, 8 percent a year, then they're going to have to absorb those costs some way. And that's why our health care bill generally should help, because what we're trying to do is to control health care costs for everybody.

But there are other aspects of this where, frankly, I think students as consumers, parents as consumers, and State legislators and Governors are going to need to put more pressure on universities. And I'll just give one example, which people may not want to hear, but when I go to some colleges and universities—public colleges and universities and I look at the athletic facilities that exist these days or the food courts or the other things that have to do with the quality of life at universities, it's sure a lot nicer than it was when I was going to college. Somebody has to pay for that.

And part of what I think we've got to examine is, are we designing our universities in a way that focuses on the primary thing, which is education. You're not going to a university to join a spa; you're going there to learn so that you can have a fulfilling career. And if all the amenities of a public university start jacking up the cost of tuition significantly, that's a problem.

How courses are taught, so that we're making sure that the teaching loads at universities continue to emphasize research and continue to

give professors the opportunity to engage in work outside the classroom that advances knowledge, but at the same time reminding faculties that their primary job is to teach. And so you've got to structure how universities operate to give students the best deal that they can; that's important too.

And so one of the things that we're going to be doing is working with university presidents and college presidents to figure out how can we get control of costs generally and refocus our priorities and our attention on what the primary function of a university is, and that is to give students the knowledge and skills that they need to have a fulfilling career after they get out, not to provide the best situation for the 4 years that they're there.

Like I—as I said, when I was going to college, I mean, food at the cafeteria was notoriously bad. I didn't have a lot of options. We used to joke about what was for lunch that day, and there would be a bunch of nondescript stuff that wasn't particularly edible. But—now, I don't want to get in trouble with the First Lady here, because she's obviously big on improving nutrition, but I do think that you've got to think about what we can do to generally make universities more cost effective for students.

And you guys have to be good consumers, and your parents have to be good consumers, and we've got to offer you more information. You should know where your tuition is going. There should be a pie chart at every university that says, out of every dollar you spend in tuition, here's where your money is going. And you should have some good understanding of that and be able to make some better decisions as a consequence of that information.

Let me just close, because I know we're out of time. And hopefully, as I travel around the country, I'm going to be able to talk to you guys individually when I visit colleges or universities.

I know we've gone through a tough time these last 2 years. And I do worry sometimes that young folks, having grown up or come of age in difficult economic times, start feeling as if their horizons have to be lowered and they've got to set their sights a little bit lower than their parents or their grandparents. And I just want

to remind people that you guys all have enormous challenges that you're going to have to face, but you continue to live in the most vibrant, most dynamic, wealthiest nation on Earth.

And if you are able to work together as a generation to tackle longstanding problems that you inherited but that are solvable, then there's no reason why the 21st century is not going to be the American century, just like the 20th century was. And there's still billions of people around the world who want to come here, and they want to come here because they know that this is, for all our problems, still the land of opportunity.

But it's going to require us to get involved around critical issues like education and health care and energy and our foreign policy. And we're going to have to have vigorous debates,

and we're going to have to hammer out consensus on these issues. And the energy that you were able to bring to our politics in 2008, that's needed not less now, it's needed more now.

And so I hope that everybody starts paying attention these last 5 weeks. We've got an election coming up. I want everybody to be well informed and to participate. If you do, then I feel very optimistic about the country's future.

All right? Thank you, guys. Bye-bye.

NOTE: The President spoke at 12:16 p.m. in the Oval Office at the White House. Participating in the session were Colin Daildea, student, Radford University; Jennifer Zettel, student, University of Wisconsin—Madison; Katrina Wehr, student, Pennsylvania State University; and Daniel Schonhaut, student, University of California, Los Angeles.

Remarks on Signing the Small Business Jobs Act of 2010 September 27, 2010

Thank you, everybody. Please have a seat. Thank you very much. I am thrilled to be here on what is an exciting day. I want to begin by recognizing the Members of Congress who fought so hard to pass this bill on behalf of America's small businesses. A lot of work was involved in this obviously, but there are a few folks who are here on stage I want to make sure to acknowledge.

First of all, my dear friend—and my Senator—from the great State of Illinois, Senator Dick Durbin. A champion for businesses in Louisiana and around the country, Senator Mary Landrieu is here. A champion of small businesses, Senator Maria Cantwell of Washington is here. And one of the deans of the Senate, and as thoughtful a person about industry and manufacturing as you'll find, Senator Carl Levin of Michigan is here. From the House side, we've got Representative Melissa Bean, also my neighbor from Illinois, and Congressman Al Green from Texas is in the house.

We've got a couple of Governors here: Governor O'Malley of Maryland; and somebody who has been working so hard on behalf of the great State of Michigan—we are proud of what

she's been doing, because it's really hard work in Michigan right now—but Governor Granholm, I think, coming to the end of her term, has just done outstanding work, and I want to acknowledge her.

We've also got some mayors in the house, and I'm not sure if they're all here, but I'm going to go ahead and announce them: Mayor Coleman of Columbus, Ohio; Mayor Dickert from Racine, Wisconsin; Mayor Foxx from Charlotte, North Carolina; Mayor Pawlowski of Allentown, Pennsylvania; and Mayor Ravenshahl—whose Steelers won last night—from Pittsburgh. *[Laughter]* Give them all a big round of applause.

Finally, I want to thank members of my administration who are with us, including our Small Business Administrator and just a terrific advocate for small businesses, Karen Mills is here. Please give her a big round of applause. And our Treasury Secretary, Tim Geithner, as well as one of my top economic advisers, Gene Sperling, who worked so hard to get this legislation done. Where's Gene? There he is back there.